D4

associated with the purchase of the second tier commodity. Typically the financial instrument is designed to cover the potential foreseeable interruptions and not force majeure events. --

The paragraph on page 13, line 20 - page 14, line 8, is being amended to read as follows:

D5

-- Fig. 8 shows customer computer **78** connecting to commodity seller computers **82**, **84**, and **86** via a network, such as the Internet **80**. The customer computer **78** presents the commodity seller computers **82**, **84**, and **86** with its commodity requirements and information necessary to determine the cost of the requested commodity and the associated financial instrument. In an alternate embodiment, the customer computer **78** connects to a querying computer, which collects information from the customer, retrieves the price combinations from the commodity seller computers **82**, **84**, and **86** and returns the best offer price to the customer. In yet another embodiment the querying computer contacts both commodity seller computers **82**, **84**, and **86** and financial instrument selling computers and presents the customer with the best combined price. --

In the Claims

Claims 1-4, 7-10 and 12-15 are being amended to read as follows:

D6 Sub Q2

1. (Twice Amended) A method for managing the sale of a tier-priced commodity comprising:
   a. determining a first price for a commodity at a first tier;
   b. determining a second price for said commodity at a second tier;
   c. determining a third price for an insurance instrument designed to indemnify against at least one risk associated with purchasing said commodity at said second tier; and

Q2 d. offering said commodity at said second tier for sale at a fourth price, wherein said fourth price is a function of at least said second price and said third price.

Q2 D7 2. (Amended) The method of claim 1 further comprising receiving a request from a customer to purchase said commodity at said fourth price and selling said customer said commodity.

D8 Q2 3. (Amended) The method of claim 2, wherein ownership of said instrument is not transferred to said customer.

4. (Amended) The method of claim 2, wherein ownership of said insurance instrument is transferred to said customer.

D9 Q2 7. (Amended) The method of claim 2, wherein said tier-priced commodity is electrical power.

8. (Amended) The method of claim 1, wherein said tier-priced commodity is electrical power.

D10 Q2 9. (Twice Amended) A method for managing the sale of a tier-priced commodity over a computer network comprising:

a. displaying to a customer on a display associated with a customer computer a price for a tier-priced commodity, wherein said commodity has at least a first tier and a

second tier in its pricing structure and said second tier has at least one associated risk;

b. receiving a request to purchase said tier-priced commodity on a seller computer connected to said buyer computer via a computer network;

c. selling said tier-priced commodity to said customer; and

d. transferring to said customer the right to receive insurance indemnification against loss due to the at least one associated risk if said commodity sold to said customer is from said second tier.

D10 a2

10. (Twice Amended) The method of claim 9, wherein said indemnification is an insurance instrument designed to protect against loss associated with interruptions in the delivery of said second tier commodity.

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12. (Twice Amended) A system for managing the sale of a tier-priced commodity over a computer network, the system comprising:

a. a first computer;

b. a second computer connected to said first computer by a computer network;

c. commodity data storage accessible to said second computer comprising at least one tier-priced commodity having at least a first tier and a second tier; and

d. insurance instrument data storage accessible to said second computer comprising at least one insurance instrument designed to indemnify against at least one risk associated with purchasing said commodity from said second tier.

D11 a2

13. (Twice Amended) A method for managing the sale of a tier-priced commodity comprising:

a. determining a first price for a commodity at a first tier from a first source for a customer;

b. determining a second price for said commodity at a second tier from said first source for said customer;

c. determining a third price for a first insurance instrument designed to indemnify said customer against loss resulting from at least one risk associated with purchasing said commodity from said second tier from said first source;

d. determining a fourth price for said commodity at a first tier from a second source for said customer;

D11 22 Cont'd

e. determining a fifth price for said commodity at a second tier from said second source for said customer.

f. determining a sixth price for a second insurance instrument designed to indemnify said customer against loss resulting from at least one risk associated with purchasing said commodity from said second tier from said second source; and

g. displaying to said customer the lowest of said first price, the sum of said second price and said third price, said fourth price and the sum of said fifth price and said sixth price.

14. (Twice Amended) A method for managing the sale of a tier-priced commodity comprising:

a. determining a first price for a commodity at a first tier for a first customer;

b. determining a second price for said commodity at a second tier for said first customer;

c. determining a third price for a first insurance instrument designed to indemnify said first customer against loss resulting from at least one risk associated with purchasing said commodity from said second tier;

d. determining a fourth price for said commodity at a first tier for a second customer;

e. determining a fifth price for said commodity at a second tier for said second customer;

f. determining a sixth price for a second insurance instrument designed to indemnify said second customer against loss resulting from at least one risk associated with purchasing said commodity from said second tier;

g. displaying to said first customer the lowest of said first price and the sum of said second price and said third price; and

h. displaying to said second customer the lowest of said fourth price and the sum of said fifth price and said sixth price.

15. (Twice Amended) A method for managing the sale of a tier-priced commodity comprising:

a. displaying to a first bidder a first price for a commodity and a first insurance instrument designed to indemnify said first bidder against loss associated with at least one risk associated with the purchase of said commodity;

b. displaying to a second bidder a second price for a commodity and a second insurance instrument designed to indemnify said second bidder against loss associated with at least one risk associated with the purchase of said commodity;

c. receiving bids for said commodity from said first bidder and said second bidder; and

d. selling said commodity and transferring a right to collect against said first insurance instrument to said first bidder if said first bidder exceeds said first price by a greater amount than said second bidder exceeds said second price or selling said commodity and transferring a right to collect against said second insurance instrument to said second bidder if said second bidder exceeds said second price by a greater amount than said first bidder exceeds said first price.

C2 cont'd D11

The following new claims 16-31 are being added:

--16. (New) The method of claim 1, comprising:

offering said commodity at said second tier for sale at a fourth price that is less than said first price. --

D12 C2

--17. (New) The method of claim 1, comprising:

offering said commodity at said second tier for sale at a fourth price that is greater than or equal to a sum of said second price and said third price. --

--18. (New) The method of claim 1, wherein said tier-priced commodity is telecommunications bandwidth or natural gas. --

--19. (New) The method of claim 15, wherein the first price and the second price are different. --

--20. (New) A method of selling a tier-priced commodity having a first price at a first tier and a second price at a second tier, the method comprising:

offering for sale a bundled product comprising said commodity at said second tier and an insurance instrument, wherein said insurance instrument indemnifies against at least one risk associated with purchasing said commodity at said second tier. --

22 Cont'd

--21. (New) The method of claim 20, further comprising:

offering for sale said commodity at said second tier price. --

D12

--22. (New) The method of claim 21, further comprising:

determining said second tier price, wherein said second tier price is less than said first tier price. --

--23. (New) The method of claim 20, further comprising:

determining said second tier price;

determining a value of a said insurance instrument; and

offering for sale said bundled product at a bundled product price, the bundled product price being a function of said second tier price and said value of said insurance instrument. --

--24. (New) The method of claim 23, comprising:

offering for sale said bundled product at a bundled product price greater than or equal to a sum of said second tier price and said value of said insurance instrument. --

--25. (New) The method of claim 23, comprising:

offering for sale said bundled product at a bundled product price less than said first tier price. --

--26. (New) The method of claim 23, further comprising selling said bundled product.

a2

--27. (New) The method of claim 20, wherein said tier-priced commodity is electrical power, telecommunications bandwidth or natural gas. --

D12

--28. (New) A method for managing the sale of a tier-priced commodity over a network, wherein the product has a first tier for sale at a first price and a second tier for sale at a second tier price and having at least one associated risk, the method comprising:

a. displaying to a customer on a customer display the first tier price;

b. displaying to the customer on the customer display a price for a bundled product comprising the commodity at the second tier and an insurance instrument indemnifying against the at least one risk;

c. receiving a request to purchase said bundled product on a seller computer connected to said buyer display via a network; and

d. selling said bundled product to said customer. --

--29. (New) The method of claim 28, wherein said insurance instrument protects against loss associated with interruptions in the delivery of said second tier commodity. --

--30. (New) The method of claim 29, wherein the price of said insurance instrument is based upon one or more factors associated with said customer. --

--31. (New) The method of claim 28, further comprising displaying to the customer on the customer display a price for the commodity at the second tier.--

a2)

--32. (New) A system for managing the sale of a tier-priced commodity over a computer network, the system comprising:

D12

a. a computer connected to a network;

b. commodity data storage accessible to said computer comprising a price data for a tier-priced commodity having at least a first tier and a second tier; and

c. insurance instrument data storage accessible to said computer comprising price data for at least one insurance instrument designed to indemnify against at least one risk associated with purchasing said commodity from said second tier;

wherein said computer is programmed to compute a price for sale of a bundled product comprising the tier-priced commodity and an insurance instrument designed to indemnify against the at least one risk associated with purchasing said commodity from said second tier.

--33. (New) The method of claim 32, wherein said computer is further programmed to offer said bundled product for sale at the computed price, over the network. --

--34. (New) A method for managing the sale of a tier-priced commodity:

a. determining a first price for a commodity at a first tier from a first source for a customer;

b. determining a second price for said commodity at a second tier from said first source for said customer;

62

c. determining a third price for a bundled product comprising said commodity at said second tier and a first insurance instrument designed to indemnify said customer against loss resulting from at least one risk associated with purchasing said commodity from said second tier from said first source, said third price being a function of said second price and a value of said first insurance instrument;

D12

d. determining a fourth price for said commodity at a first tier from a second source for said customer;

e. determining a fifth price for said commodity at a second tier from said second source for said customer;

f. determining a sixth price for a second bundled product comprising said commodity at said second tier and a second insurance instrument designed to indemnify said customer against loss resulting from at least one risk associated with purchasing said commodity from said second tier from said second source, said sixth price being a function of said fifth price and a value of said second insurance instrument; and

g. displaying to said customer the lowest of said first price, said third price, said fourth price and said sixth price. --

--35. (New) A method for managing the sale of a tier-priced commodity, comprising:

a. determining a first price for a commodity at a first tier for a first customer;

b. determining a second price for said commodity at a second tier for said first customer;

c. determining a third price for a bundled product comprising said commodity at said second tier and a first insurance instrument designed to indemnify said first customer against loss resulting from at least one risk associated with purchasing said commodity from said second tier;

e2

d. determining a fourth price for said commodity at a first tier for a second customer;

D12

e. determining a fifth price for said commodity at a second tier for said second customer;

f. determining a sixth price for a bundled product comprising said commodity at said second tier and a second insurance instrument designed to indemnify said second customer against loss resulting from at least one risk associated with purchasing said commodity from said second tier;

g. displaying to said first customer the lowest of said first price and said third price; and

h. displaying to said second customer the lowest of said fourth price and said sixth price.

--36. (New) A method for managing the sale of a tier-priced commodity, comprising:

a. displaying to a first bidder and a second bidder a first price for a first bundled product comprising a commodity and a first insurance instrument designed to indemnify said first bidder against loss associated with at least one risk associated with the purchase of said commodity;

b. displaying to a second bidder a second price for a second bundled commodity comprising said commodity and a second insurance instrument designed to indemnify said second bidder against loss associated with at least one risk associated with the purchase of said commodity;

a2 Cont'd

c. receiving bids for said first bundled product from said first bidder and for said second bundled product from said second bidder; and

D12

d. selling said first bundled product to said first bidder if said first bidder exceeds said first price by a greater amount than said second bidder exceeds said second price or selling said second bundled product to said second bidder if said second bidder exceeds said second price by a greater amount than said first bidder exceeds said first price. --

--37. (New) The method of claim 36, wherein the first price and the second price are different. --

--38. (New) The method of claim 36, wherein the first price and the second price are the same. --